



Cryptocurrency Regulatory Sandbox

Business and Labor

Cryptocurrency?

Cryptocurrency is a form of payment that can be exchanged online for goods and services. Many companies have issued their own currencies, often called tokens, and these can be traded specifically for the good or service that the company provides. Think of them as you would arcade tokens or casino chips. You'll need to exchange real currency for the cryptocurrency to access the good or service.

Cryptocurrencies work using a technology called blockchain. Blockchain is a decentralized technology spread across many computers that manages and records transactions. Part of the appeal of this technology is its security.

Identity Crisis

Debate: actual currencies, securities, or commodities?

The cryptocurrency market's identity crisis over whether it's a commodity or security is important because it can determine how the space will grow and be regulated. But so far, the market has in a way challenged the traditional categories of financial assets.

Regulatory Sandboxes

- Coordinated effort to create and improve existing regulations for a particular industry by working with all regulatory agencies and companies involved in that industry.
 - Sandboxes can also be used in the early stages of writing regulations when there isn't an existing framework in place.
 - Regulations can be tested in an environment to determine how best to regulate a particular industry and build a network of cooperation from the regulated companies.
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- No established regulatory framework to exempt applicants from
 - If there were a regulatory framework, H.B. 217, Regulatory Sandbox Program Amendments (2021GS) may apply
 - *Created the Office of Regulatory Relief within GOEO.*
 - *Created the General Regulatory Sandbox Program to allow the office to waive laws or regulations applicable to a participant.*
 - *Required the regulatory relief office to create a web page where residents and businesses in the state may provide suggestions regarding modifying or eliminating laws and regulations to reduce the regulatory burden on residents and businesses in the state.*